

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2254 - HB 2392

February 28, 2012

**SUMMARY OF BILL:** Establishes the Office of Higher Education Ombudsperson within the office of the Comptroller of the Treasury. States that the role of this office shall be to assist faculty, staff, and employees in obtaining information about the operations and financial workings of the public higher education system and to provide educational outreach on higher education issues. Requires each public higher education system to appoint a person from existing personnel to serve as a contact person for the Ombudsperson. Requires each public education system to provide the Ombudsperson with the name of the contact person within sixty days of July 1, 2012, and to notify the Ombudsperson within seven business days of the any change in the contact person.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – According to the Comptroller’s Office, the conservative estimated cost for the creation of this office will be \$381,000, but the increase in state expenditures will likely be between \$400,000 and \$500,000. The actual increase in state expenditures will be dependent upon the number of employees hired, the extent of their travel, and the cost for office supplies and other materials.**

Assumptions:

- According to the Comptroller, one supervisor will be hired at a cost of \$92,000 in salary and benefits. In addition, three other staff members will be hired at a cost of \$69,000 in salary and benefits per position for a total of \$207,000 (\$69,000 x 3).
- Personnel will travel extensively throughout the state. The Comptroller has estimated the travel will cost approximately \$41,000 annually.
- Supplies for new personnel will be approximately \$19,320 and other materials such as space set-up will be \$22,000.
- The increase in state expenditures is conservatively estimated to be \$381,320 (\$92,000 + \$207,000 + 41,000 + 19,320 + \$22,000).
- According to the Comptroller’s Office, actual expenditures will likely be higher, depending on how extensive employee travel is and the actual number of employees that are hired.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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